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November 12, 2007

BY ELECTRONIC FILING

The Honorable Richard G. Stearns
United States District Court
District of Massachusetts
John Joseph Moakley U.S. Courthouse
1 Courthouse Way,
Boston, MA 02210

***Re: Joint Status Report, In re Sepracor Inc. Derivative Litigation, Master File No.
06-CA-11759-RGS, U.S.D.C., District of Massachusetts***

Hon. Judge Stearns:

Per this Court's October 17, 2007 Order, plaintiffs Marvin P. Meyer ("Meyer"), Norman Goguen ("Goguen"), and Dennis Giaquinto ("Giaquinto") (collectively, "Plaintiffs") in the above-captioned consolidated shareholder derivative action (the "Federal Action"), and defendant Sepracor, Inc. ("Sepracor" or the "Company") and the individual defendants (collectively, "Defendants") write to provide the Court with a Joint Status Report. The parties in the Federal Action are pleased to report that there has been a proposed settlement reached in related litigation which provides for the dismissal of the Federal Action.

On September 22, 2006, three Sepracor shareholders filed a consolidated derivative complaint in the Massachusetts Superior Court (the "State Action") concerning the Company's historical stock option grant practices.

Six days later, on September 28, 2006, plaintiff Meyer initiated the Federal Action by filing a derivative complaint with this Court on behalf of Sepracor concerning the Company's historical stock option grant practices. Plaintiffs Goguen and Giaquinto filed similar derivative complaints with this Court on October 3, 2006 and October 13, 2006, respectively. Following consolidation of the Meyer, Goguen, and Giaquinto actions, a consolidated complaint was filed in the Federal Action on January 30, 2007.

On April 9, 2007, Defendants moved this Court to stay the Federal Action in light of the pending State Action, and on May 4, 2007, the Court issued an Order staying the Federal Action.

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Throughout most of 2007, the parties in both Actions engaged in settlement discussions regarding the claims at issue. Recently, these lengthy negotiations were concluded with the signing of a stipulation of settlement (the "Stipulation") which provides for, *inter alia*, the proposed settlement of the Actions and their subsequent dismissal with prejudice upon final approval of the proposed settlement by the Court in the State Action. A true and correct copy of the Stipulation is attached hereto as Exhibit 1. Pursuant to the Stipulation, the parties in the State Action recently moved the Massachusetts Superior Court for an Order preliminarily approving the Settlement. On November 6, 2007, the Court issued the proposed Order preliminarily approving the settlement, and setting a final hearing in the State Action for January 4, 2008. Pursuant to the Stipulation, if the Massachusetts Superior Court enters an Order granting final approval to the settlement of the State Action, the parties in the Federal Action will promptly file a stipulated Order with this Court requesting dismissal of the Federal Action with prejudice.

Should the Court require any additional information, the parties are prepared to provide any such further information as necessary.

Respectfully submitted,

/s/ Alan L. Kovacs

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